

SPRECKELS LITIGATION ENDED
BY SALE OF OCEANIC BONDS

SAN FRANCISCO, February 3.—After more than two years' bitter litigation between Rudolf and Claus A. Spreckels, as executors of the will of the late Claus Spreckels, on the one hand, and John D. and A. B. Spreckels on the other, over the affairs of the Oceanic Steamship Company, it was announced yesterday that the plaintiffs have disposed of their bonds in the company and the case will now be dropped. In addition to the bonds held personally by Rudolf and C. A. Spreckels and those in the estate of their mother they also disposed of the similar securities remaining in their charge as executors, and Judge Coffey yesterday signed the papers confirming the sale.

John D. and A. B. Spreckels were the purchasers of the bonds. Following an agreement made out of court, they bought the securities at par, plus the accrued coupon interest. The total amount involved was more than \$629,000 for the 629 bonds held by the plaintiffs at the time the suit was brought in September, 1909. The transaction virtually makes John D. and A. B. Spreckels and John D. Spreckels Brothers and company sole owners of the Oceanic company.

In the estate of the late Claus Spreckels there were originally 609

Oceanic bonds, but when the community property was divided, the widow received 304. In addition to this number Claus A. Spreckels held twenty bonds personally. The \$305,000, plus accrued interest, which was paid into the Spreckels estate for the block held there, is still to be divided among the five heirs and John D. and A. B. Spreckels, the purchasers, will each receive one-fifth of the total as part of their share of their father's estate.

W. I. Brobeck, attorney for the defendants in the suit, said yesterday, following the transfer:

"C. A. Spreckels went to the Union Trust Company and offered either to buy or sell Oceanic steamship bonds at par, plus coupon interest. John D. and A. B. Spreckels, already owners of a majority of the securities, were of the opinion that the bonds were worth par and the coupon interest, in view of their optimistic outlook upon the commercial future of this port, and of the rehabilitated condition of the company's vessels.

"For this reason they accepted the offer to sell on those terms and accordingly purchased all the 629 bonds held by the other branch of the family. Of the 200 bonds outstanding they previously held a majority."

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REPUBLICANS ASK WHY IS
ROOSEVELT PARTY'S HOPE

WASHINGTON, January 13.—Some republicans on Capitol Hill are unwilling to pass unchallenged the suggestion, sedulously circulated, that Col. Roosevelt is the sole hope of the republican party, and his nomination for the presidency the only salvation of that great party. Nor are they confident that his nomination would assure victory to the republican tickets, national, congressional and local.

These republicans observe that many of the academic discussions of Roosevelt's present attitude and possible future course branch out from the premise that if he can be induced to take the nomination, or decides to seek it and gets it, republican success is certain.

Why this cocksure dictum that he can lead to victory? Why foreclosing of the possibility that some other candidate may do it also? Why does it devolve upon Col. Roosevelt alone as a matter of duty and responsibility, to leave out the bogged-down machine? Why isn't it up to Mr. Taft to do it, especially since a faction of the party charge that Mr. Taft bogged the machine.

Some Growing Reserve.
These are some of the questions that republicans on Capitol Hill are

asking one another. They are getting restive under the reiteration of Roosevelt's indispensability to the republican party.

The effort to "bluff" Mr. Taft out of the presidential race which was made by some of the colonel's enthusiastic supporters a week or so ago and went to smithereens upon the President's prompt avowal of intention to stick until death was construed at the time to be a move to relieve Col. Roosevelt of the odium of attempting to wrest the nomination from the President. No politician hereabouts doubts that if Mr. Taft had hung in the wind for a moment the Roosevelt boom would have been given definite form.

Now come these other tactics—the Macedonian cry for help; "Roosevelt must save the party and he alone can do it."

If that outbreak from what some republicans think is a Roosevelt clique should swell into the form of a public diatribe it would furnish an excuse, it is said, for the colonel to come reluctantly to the rescue of his "persisting" party.

Afraid of Third Term.
There are republicans who say that no matter how Col. Roosevelt should (Continued on page ten.)

MCLELLAN DISCOUNTS TALK
OF JAPANESE DESIGNS ON HAWAII

By J. A. BRECKONS.
(Special Correspondence of the Star.)
WASHINGTON, February 1.—That Dr. Sun Yat Sen, president of the Chinese republic, the George Washington of the Orient, was born in Hawaii and brought up under the influence of American pioneers in the Islands, was the statement made by George B. McClellan, Washington representative of the Honolulu Chamber of Commerce and Merchants' Association, at the January meeting of the Columbia Society of the Sons of American Revolution, at Rauscher's recent ly.

Mr. McClellan said that while Dr. Sun had been born in the Islands, while they were still under a monarchical form of government, he had gone to schools conducted by American missionaries and picked up American ideas and ideals at an early age, and in fact had drawn his inspiration for the establishment of a great republic in China from his American teachers. Dr. Sun began his campaign of education for a Chinese republic while still living in Hawaii, and laid the ground work for the great upheaval which has come in China, said Mr. McClellan.

Mr. McClellan gave a historical account of the work of American missionaries and American pioneers in the Islands. He spoke, too, of the

work of various European powers to obtain possession of the Hawaiian Islands because they saw the great strategic advantage in the Pacific Ocean which would accrue to the power holding these islands. He declared that whatever power controlled the Islands in the future would control the Pacific, and stated that this country was making the Islands its Pacific base.

That there is any intention on the part of Japan to attack this country, particularly through the Hawaiian Islands, was discounted by Mr. McClellan. Speaking of the large number of Japanese who have settled in the Hawaiian Islands in recent years, he said they had come for commercial purposes, to establish Japanese trade, and with entirely peaceful purposes. He pointed out that Japanese steamships with ship lines run to the Pacific coast and also to South America, and that they wished to pass Hawaii. An effort to obtain a large trade with South American republics he said, was one real reason why Japan was looking to its commercial development in Hawaii.

In closing his address, Mr. McClellan spoke of the Americans "living far away from their home country, as do those in Hawaii, declaring that they come to realize things from a patriotic standpoint in more clearcut manner than do American living in the United States.

GOVERNOR FREAR'S ANSWER
TO DELEGATE KUHIO'S CHARGES

Governor Frear, in his reply to the charge of Delegate Kuhio Kalaniano'ole, begins with the general accusation for which Ray Stannard Baker is quoted as a true witness, that he favors the plantation interests. He says:

"I must confess that I am neither a socialist nor an anarchist, and that I believe in constructive rather than destructive policies, and I hope that I am not going too far in saying that my administration has been known in Hawaii at least not as reactionary or retrogressive, but as peculiarly constructive and progressive. No one realizes more than I that industrial and social conditions in Hawaii are far from perfect; no one is more earnest than I in endeavoring to correct these conditions; nor has anyone greater faith that they can be corrected. But that any one man can bring about Utopian conditions in a few years is a feat that I do not pretend to be able to accomplish—a feat, indeed, that has not been accomplished in the ninety years since civilization obtained a footing in Hawaii, and has not been accomplished in far longer periods in other countries under more favorable conditions. I have given myself unreservedly to this work day and night. My method has been that of investigation and logical action based thereon. I have opposed special interests, whether large or small without discrimination where their desires seemed to conflict with the public interests, and have found it more difficult to oppose the small than the large ones. The 'interests,' I fear, do not agree with the complainant that I have been too friendly toward them. Much progress has been made, but upon this complainant is silent.

"The portion of this reply that is directed to the general charges is made necessary by the nature of the charges and the request that they be replied to. For this reason I am compelled to speak more personally of myself and of my work than I would otherwise feel justified in doing. While in most cases of legislation referred to herein, the bills have either been drafted by me or by others at my request and revised by me, I do not wish to assume more than my share of credit for the good work that has been accomplished. I have received able assistance from many others. Too much credit cannot be given the legislature itself for most commendable and gratifying readiness to support good measures and reject bad ones. Moreover, many other splendid things, not here referred to, have been accomplished in and out of the legislature for which I am entitled to little or no credit.

"I will take up first the land question, setting forth briefly some of the difficulties and my endeavors to overcome them; next, the part I have taken in the closely related matters of immigration and the conservation and development of natural resources; then transportation matters; next, other matters, with a view to showing the constructive and progressive character of my administration generally; and, finally, the specification of the complaint.

Public Lands.
"Public lands and land laws in Hawaii cannot be thought of in ways familiar on the mainland. The administration of these lands and laws teems with difficulties. Homesteading, although the most important, is only one of the problems."

The Governor tells of some of the difficulties of land legislation and administration in these islands, owing to ancient customs and the mountainous topography, etc., and proceeds:

"The prime factor in the homestead problem in Hawaii is the smallness of the area available for that purpose. The first essential, therefore, is the conservation of the available public land for genuine homesteading. Such land should neither be put beyond availability for that purpose by the disposition of large areas for other than homestead purposes nor be wasted by disposition in small areas to mere speculators or investors under the guise of homesteading.

Reversed Carter Policy.
"Accordingly, at the outset when I took office I reversed in several important respects the policies of my immediate predecessor, who, unlike his predecessor, had little or no faith in homesteading. In the first place, I have not sold a single large tract of cane land or other developed or undeveloped country land for cash. In

the second place, I have not in a single instance exchanged a large tract of country land, whether developed or undeveloped, for town land. I have acted on the theory that the lands now suitable for homestead purposes should be kept for such purposes until bona fide homesteaders apply for them, and that the lands now unsuited for such purposes might, as already indicated in some cases by past experience, become suitable for such purposes in the course of time through the advance of scientific knowledge or the discovery of means of irrigation or otherwise. In my opinion, it is better to lease than to sell the latter class of land until it is known to what use it may best be put—unless it can be exchanged for other land of approximately equal or greater area already suitable for homesteading.

"During my administration I have made only three large exchanges and in each case the exchange has been of country land wholly or largely unsuitable for homestead purposes for country land exceptionally well adapted to such purposes. The aggregate areas conveyed were 3,521.95 acres and those received 5,992 acres. In general, the lands conveyed were arid lands for which the government had no water, but upon portions of which the grantees could get water of their own at considerable expense, while the lands received were among the very best in Hawaii for homestead purposes with sufficient rainfall so as not to require irrigation, and in one case, besides the land, a million gallons of water a day was acquired for the domestic uses of the homesteaders.

Settling of Americans.
"On one of these lands, 1200 acres in area, thirty-one American homesteaders are now settling, or about to settle. When the exchange was made the plantations involved in it indicated that, if the government should make a success in homesteading this land, they would not only assist in making the homesteading of this land more successful by extending a railroad to it or nearly to it, but also extend the colony of homesteaders by homesteading some of their own private adjoining lands. They are now subdividing for this purpose about 1000 acres of such adjoining lands and extending their railroad as above stated at a cost of \$200,000. They are also endeavoring to arrange for the erection of a large pineapple cannery by others and for favorable contracts for the purchase of pineapples by the cannery from the homesteaders.

"In another of these cases, the plantation, before my administration began, surrendered a portion of a leased tract of government land for the purpose of enabling the government to homestead it. During my administration not only has the homesteading of that land been continued but, in order to extend the colony, 1777 acres of additional land has been acquired from the plantation by exchange, together with the million gallons of water a day above referred to, and now about 135 of the homestead lots have been disposed of. The plantation and those interested in it have financed the homesteaders, erected a factory for canning their pineapples, installed water works (now taken over by the county), and extended their railway to the homesteaders. The homesteaders in this case are mostly Portuguese and Spaniards but include a number of Hawaiians and others.

Checking Homestead Abuses.
"The practice was begun before my administration of inserting clauses in leases of agricultural and pastoral lands permitting the withdrawal of such lands at any time for homestead or public purposes, and several years ago the insertion of such clauses in leases of agricultural land was made obligatory by an amendment of the Organic Act drafted and recommended by me. This practice has been continued as a matter of policy in leases of pastoral lands also and lately the scope of the withdrawal clause has been extended, especially in the case of such lands, that is, lands upon which the lessees are unlikely to expend much in improvements.

"My chief task, however, was to devise appropriate methods of checking an appalling abuse of the homestead laws by dummies and speculators and so conserve the land for real homesteading."

Governor Frear speaks of the ef-

forts of his administration to solve problems in every branch of the public service, but says "the limits of this reply forbid reference to many matters of lesser importance or more than brief reference to matters of larger importance.

"A few matters will be touched on here, some of which bear directly or indirectly on those above referred to and all of which are of great importance to the welfare of the Territory.

Financial Reform.
"Much attention has been given to finances. This matter has become of superlative importance, especially in view of the establishment of local governments a few years ago. The old tax system remained. The Territory collected all the taxes at a rate prescribed by law and paid certain percentages of the taxes and certain other revenues over to the counties. The Territory and all the counties drew from a common money bag with the natural result that there was a lack of responsibility and a tendency to waste. I devised a scheme and submitted it to the last legislature, separating the sources of income of the Territory and the counties, and providing at the same time an elastic tax rate within certain maximum limits, thereby putting the Territory and each county on its own independent basis and creating a clear relation between the pockets of the tax payers and the expenditures of the public officers. The recommendation was enacted by the legislature. It revolutionized the tax system in the interest of economy and the sound development of local government. Other measures recommended by me have been adopted by the legislature, regulating the expenditure of public moneys, preventing anticipation of revenues by counties, prohibiting public officers who have had to do with the making of public contracts from being or becoming interested in them, requiring frequent publication of local government accounts, amending the laws in regard to sinking funds and refunds of public bonds, providing for many important public improvements both by the Territory and by the counties, with special provisions to secure economical expenditure of the funds, providing for deposits of public moneys at interest in the banks, thereby securing revenue and preventing financial disturbance through the withdrawal of large sums from circulation, besides many other laws relating to public finances. As previously stated, a law for an additional income tax for immigration and conservation purposes has been enacted. The Honolulu water and sewer works have been put on a self-supporting basis. The appropriation bills have been remodeled with the result that they require only a small fraction of the time formerly required of the legislature.

Education.
Owing to a large increase in the number of children without a corresponding increase in the revenues, the public school system had become in great need of increased funds. I recommended such increase to the first legislature of my administration, but there was not sufficient money to meet it and a resolution was passed for the appointment of a commission to study the matter and report to me before the next legislature. I appointed a sympathetic commission which prepared an elaborate report and recommended a bill which was enacted at the next legislature. It was partly for the purpose of making this effective that I devised the new system of taxation above referred to. The new system is practically automatic, an elastic tax being imposed to meet the estimated needs within certain limits based on the number of pupils.

"Closely connected with the subject of schools is that of the College of Hawaii, otherwise known as the College of Agriculture and Mechanic Arts. Provision was made by law for its establishment before I took office, but no adequate means for its maintenance. I succeeded, with great difficulty, in obtaining a ruling, reversing two former Federal Department rulings, that this institution was entitled to share in the allotments of the Federal Government to colleges of this character, and have had much to do with obtaining, through purchase and law suits, the desired site for the college.

(Continued on page eleven.)

DILLINGHAM IMMIGRATION BILL
HAS IMPORTANT NEW PROVISIONS

(Special Correspondence of the Star.)
By J. A. BRECKONS.
WASHINGTON, D. C., February 1.—

Senator Lodge from the Committee on Immigration has submitted a report to the Senate on the bill S. 3175, introduced by Senator Dillingham, "To regulate the immigration of aliens to and the residence of aliens in the United States." The report recites:

"This bill is in the main a revision and codification of existing laws regulating immigration. The changes in existing law are made in accordance with the recommendation of the department and of the officers of the Immigration Service and have been shown by experience to be necessary for the proper enforcement of the law.

There are two new provisions, based on the recommendation of the Immigration Commission. One of them authorizes the Secretary of Commerce and Labor to detail matrons and inspectors, at such times as he may deem fit, to travel in the steerage of ships bringing immigrants to this country in order to report upon the conditions and accommodations, given to immigrants on the various transportation lines. This is a humanitarian provision and is very necessary in order to secure to the immigrants proper treatment and healthful conditions of life on shipboard.

The other new provision relates to deserting seamen and stowaways. It has been found that many persons ex-

cluded by law from the United States have made their way into the country as seamen or stowaways, in one case deserting and in the order escaping from the ship by which they came, and thus evading the inspection at the ports and entering into the country in violation of law. Investigation has shown that many criminals have entered the country in this way, and it is very important that proper provision should be made to put an end to what is both an abuse and a danger.

The illiteracy test, which formed part of the bill as introduced, has been dropped by the committee because in their opinion it is a change of such importance that it ought to be considered as a separate measure and not as part of this bill, the main purpose of which is the revision and codification of the immigration laws, which are very greatly needed at the present time.

It may be added in conclusion that one administrative change made by the bill is the consolidation of the Chinese service with that of the general immigration service. The enforcement of the Chinese exclusion act is under the charge of the Secretary of Commerce and Labor at the present time, but the law requires that it should be carried on as a separate service, which necessitates a double set of accounts and increases the public expenditure for the regulation of immigration, and which serves no useful purpose."

PRINCESS KALANIANO RECEIVES
MARKED SOCIAL ATTENTIONS

By J. A. BRECKONS.
(Special Correspondence of the Star.)

WASHINGTON, February 1.—Princess Kalaniano'ole, the charming wife of the Delegate from Hawaii, has become a great social favorite during her residence in Washington, and by reason of her gracious personality has become a leader among the Congressional social set. A pretty instance of the affection in which she is held by the Congressional ladies occurred recently just before she left for Hawaii. The Prince and Princess make their home while in Washington at the Dewey Hotel, which is also the temporary home of a large number of Representatives and their families. One of the delightful customs at the Dewey is to devote each Sunday evening to an informal concert, guests of the hotel and their friends making up the participants. These affairs are very informal but correspondingly delightful inasmuch as there is no little musical talent among those who usually take part. Princess Kalaniano has several times favored with some of her beautiful Hawaiian songs and was again called upon on this occasion. She responded by singing a number of fascinating ballads, including the exquisite "Like noa Like," to her own accompaniment on the banjo. As usual she received enthusiastic applause, but was exceedingly surprised when, upon the conclusion of her songs, Mrs. Crumpacker, the wife of the Representative from Indiana, arose and in a few appropriate words voiced the sentiment of the entire assemblage in her regret at the Princess's departure and her expression of the esteem and affection in which the charming Hawaiian lady is held by her hosts of friends. After Mrs. Crumpacker had paid this pretty tribute to the Princess, all present joined in singing "God be With You Till We Meet Again."

Before leaving the city the Princess was showered with magnificent floral tributes from her many Washington friends.

AMBASSADOR BACON COULD NOT
RESIST THE CALL TO HARVARD

WASHINGTON, January 13.—The correspondence covering the resignation of Robert Bacon as United States Ambassador of France was made public at the State Department today.

Under date of Paris, January 2, 1912, Ambassador Bacon addressed President Taft as follows:

"You will forgive me, I know, for asking for a moment of your precious time to read a personal letter, for in no other way can I say to you what I have to say.

"The president and fellows of Harvard, the corporation so called, have made me a fellow to fill the vacancy in their number caused by the death of Judge Lowell of Boston. This service to my alma mater I feel that I cannot decline, besides being naturally very proud to be given the honor of this—and Harvard "blue ribbon." This appointment is, as you know, one of active service for life, and, as there is much work to be done every week, the corporation must be in close personal touch with Cambridge, and live within easy reach. For this reason I am obliged most reluctantly to tender my resignation as your ambassador to France.

Needs Call of College.
"I cannot begin to express my grateful appreciation of your great kindness in having given me this opportunity, of which I have been very proud, and which I have enjoyed more than I can tell you. The honor of having repre-

sented you here, sir, will always be one of my brightest memories, and I thank you from my heart. My regret is very sincere, but you will understand better than anybody the strength of my associations and my loyalty to my college, and my unwillingness to decline the honor of her service.

"Although giving up the foreign service for this reason, I have a strong desire to take part at home, even in some small way, in the good work to be done there, whether it be civic, financial or industrial.

"If there be any way in which I can serve you and the party, I shall be proud to be called upon. My resignation, of course, will be at your pleasure, and I feel sure that President Lowell, although he has been unable to delay longer my appointment, will be willing to excuse me until such time as it may be convenient for you to appoint my successor.

"Thank you again, dear Mr. President, a thousand times for the honor you have done me, and for all your kindly consideration, and, with great respect and my kindest regards to Mrs. Taft, and a very happy New Year to you and yours, believe me, etc.

Accepted With Regret.
The President under date of January 12 replied personally to Mr. Bacon as follows:

"I greatly regret accepting your (Continued on page ten.)